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**20080473804**

Pages:  
013



Recorded/Filed in Official Records  
Recorder's Office, Los Angeles County,  
California

Fee: 42.00

Tax: 0.00

Other: 78.00

Total: 120.00

03/19/08 AT 12:52PM

1765535      200803190080085      Counter

**TITLE(S) :**



L E A D   S H E E T

**Assessor's Identification Number (AIN)**

To be completed by Examiner OR Title Company in black ink.

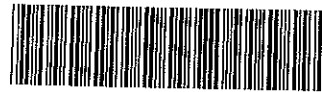
Number of AIN's Shown

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RECORDING REQUESTED BY:

Lebata Incorporated  
145-151 West 154<sup>th</sup> Street,  
Gardena, California 90248

03/19/08



20080473804

WHEN RECORDED, MAIL TO:

Department of Toxic Substances Control  
Tiered Permitting Corrective Action Branch  
5796 Corporate Avenue  
Cypress, California 90630  
Attention: Mr. Stephen W. Lavinger, Chief

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**COVENANT TO RESTRICT USE OF PROPERTY**

**ENVIRONMENTAL RESTRICTION**

Re: County of Los Angeles Assessor's Parcel Numbers 6129-007-023 and 6129-007-002, Former James Lee Record Processing Company, Site code number 301064-48.

This Covenant and Agreement ("Covenant") is made by and between Lebata, Incorporated, current owner of the Former James G. Lee Record Processing Company (the "Covenantor"), the current owner of property situated in Gardena, County of Los Angeles, described in Exhibit "A" and depicted in Exhibit "B", attached, (the "Property"), and the Department of Toxic Substances Control (the "Department"). Pursuant to Civil Code section 1471(c), the Department has determined that this Covenant is reasonably necessary to protect present or future human health or safety or the environment as a result of the presence on the land of hazardous materials as defined in Health and Safety Code section 25260. The Covenantor and the Department, collectively referred to as the "Parties", hereby agree, pursuant to Civil Code section 1471, and Health and Safety Code sections 25222.1 and 25223 that the use of the Property be restricted as set forth in this Covenant; and the Parties further agree that the Covenant shall conform with the requirements of California Code of Regulations, title 22, section 67391.1.

ARTICLE I

STATEMENT OF FACTS

1.1. The Property, totaling approximately 0.25 acres, is more particularly described and depicted in the attached Exhibit "A" and "B". The Property is located in

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an industrial area of unincorporated Los Angeles County and generally bounded to the west by Broadway Street, to the north by Redondo Beach Boulevard, to the east by Main Street and to the south by West 154<sup>th</sup> Street. The Property is also generally described as Los Angeles County Assessor's Parcel Nos 6129-007-023 and 6129-007-022.

1.2. A limited portion of the Property is more particularly described in Exhibit "C", and referred to as the Restricted Property. The Restricted Property located in the area now generally bounded west by Broadway Street, to the north by Redondo Beach Boulevard, to the east by Main Street and to the south by West 154<sup>th</sup> Street.

1.3. James G. Lee Record Processing Company, the Covenantor's predecessor, manufactured vinyl, long-play phonograph record albums utilizing silver and nickel plating processes to create phonograph "masters" and "stamper" disks. It also engaged in the management of hazardous waste pursuant to a Conditionally Exempt Small Quantity Authorization issued by the Department on April 1, 1993. Under this authorization the Facility was a hazardous waste facility, regulated by the Department, subject to the requirements of the Hazardous Waste Control Law at Health and Safety Code section 25100 et seq. The Covenantor has conducted corrective action at the Property under the Department's oversight, including removal of contaminated soil from five (5) different areas within the Property.

1.4. As a result of historical operations at the Property, certain hazardous materials, including volatile organic compounds, hexavalent chromium, nickel, silver, and mercury were released into the soil at the Property. Based on the result of the corrective action conducted by the Covenantor, the Department has determined that the soils at the Property have been remediated to a level that is acceptable for commercial and industrial use. VOCs from an off-site source exist in the soil vapors beneath the site that preclude residential use due to the risks associated with the potential intrusion of vapors to indoor air.

1.5. Because hazardous materials, as defined in Health and Safety Code sections 25117 and 25260, remain in the soil vapor at the Property, the Department has determined that this Covenant is necessary for the protection of human health, safety and the environment. The final Health Risk Assessment, approved by the Department

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on June 12, 2007, concluded that the potential migration pathway of soil gas is limited to the vapor intrusion to indoor air inside the building. However, the building has been demolished. Based on the health Risk Assessment conducted prior to the demolition of the building, the cumulative incremental cancer risk for vapor intrusion to indoor air is  $6.2 \times 10^{-6}$  and non-cancer hazard quotient for vapor intrusion to indoor air is 1.5 for residential exposure. A risk estimation of greater than  $10 \times 10^{-6}$  or a hazard index greater than 1 indicates the presence of soil-vapor contamination which may pose a significant threat to human health and the environment. The Department has also determined that, on the basis of the Risk Assessment studies conducted by the Covenantor, prior to the demolition of the building, and subject to the restrictions of this Covenant, the Property, as remediated and without buildings, does not present an unacceptable threat to human health, safety, or the environment.

## ARTICLE II

### DEFINITIONS

2.1. Department. "Department" shall mean the California Department of Toxic Substances Control and shall include its successor agencies, if any.

2.2. Owner. "Owner" shall mean the Covenantor, its successors in interest, and their successors in interest, including heirs and assigns, who at any time hold title to all or any portion of the Property.

2.3. Occupant. "Occupant" shall mean Owners and any person or entity entitled by ownership, leasehold, or other legal relationship to the right to occupy any portion of the Property.

## ARTICLE III

### GENERAL PROVISIONS

3.1. Restrictions to Run With the Land. This Covenant sets forth protective provisions, covenants, restrictions, and conditions (collectively referred to as "Restrictions"), upon and subject to which the Property and every portion thereof shall be improved, held, used, occupied, leased, sold, hypothecated, encumbered, and/or conveyed. Each and every one of the Restrictions: (a) shall run with the land pursuant

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to Health and Safety Code sections 25202.5 and 25202.6, and Civil Code section 1471; (b) shall inure to the benefit of and pass with each and every portion of the Property; (c) shall apply to and bind the respective successors in interest to the Property; (d) is for the benefit of, and shall be enforceable by the Department; and, (e) is imposed upon the entire Property unless expressly stated as applicable only to a specific portion thereof.

3.2. Binding upon Owners/Occupants. Pursuant to Health and Safety Code section 25202.5(b), this Covenant shall be binding upon all of the Owners of the land, their heirs, successors, and assignees, and the agents, employees, and lessees of the Owners, heirs, successors, and assignees. Pursuant to Civil Code section 1471, all successive Owners of the Property are expressly bound hereby for the benefit of the covenantee(s) herein.

3.3. Written Notice of Hazardous Substances Release. The Owner shall, prior to the sale, lease, or rental of the Property, give written notice that a release of hazardous substances occurred on or beneath the Property and was remediated, pursuant to Health and Safety Code section 25359.7. Such written notice shall include a copy of this Covenant.

3.4. Incorporation into Deeds and Leases. This Covenant shall be incorporated by reference in each and all deeds and leases for any portion of the Property.

3.5. Conveyance of Property. Covenantor agrees that the Owner shall provide notice to the Department no later than thirty (30) days after any conveyance of any ownership interest in the Property (excluding mortgages, liens, and other non-possessory encumbrances). Such notice shall include the name and address of any new Owner, describe the property owned by the new Owner and identify the new Owner as a person to whom notices should be delivered pursuant to section 7.4 of this Covenant. The Department shall not, by reason of this Covenant, have authority to approve, disapprove, or otherwise affect such proposed conveyance, except as otherwise provided by law, by administrative order, or specific provision of this Covenant.

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## ARTICLE IV RESTRICTIONS

4.1. Prohibited Uses. The use of the Property shall be restricted to commercial and industrial purposes only. The Property shall not be used for any of the following purposes:

- (a) A residence, including any mobile home or factory-built housing, constructed or installed for use as residential human habitation.
- (b) A hospital or a hospice for humans.
- (c) A public or private school for persons under 21 years of age.
- (d) A day care center for children.

4.2. Soil Management. Any contaminated soils brought to the surface by grading, excavation, trenching or backfilling shall be managed in accordance with all applicable provisions of state and federal law.

4.3. Access for Department. Covenantor agrees that the Department shall have reasonable right of entry and access to the Property for inspection, monitoring, and other activities consistent with the purposes of this Covenant as deemed necessary by the Department in order to protect public health and safety or the environment.

4.4. Inspection and Reporting Requirements. The Owner shall conduct an annual inspection of the Property verifying compliance with this Covenant, and submit an annual inspection report to the Department by January 15<sup>th</sup> of each calendar year. The annual report shall describe how all the requirements outlined in this Covenant are being met. The annual inspection report must include the dates, times, and names of those who conducted and reviewed the annual inspection. It also shall describe how the observations were performed and the basis for the statements and conclusions in the annual inspection report (e.g., drive-by, walk-in, etc.). If violations of this Covenant are noted, the annual inspection report must detail the steps taken to return to compliance. If the Owner identifies any violations of this Covenant during the annual inspections or at any other time, the Owner must within 10 days of identifying the violation, determine the identity of the party in violation, send a letter advising the party of the violation of this Covenant and demand that the violation cease immediately.

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Additionally, copies of any correspondence related to the enforcement of the Covenant shall be sent to the Department within 10 days of its original transmission.

## ARTICLE V ENFORCEMENT

5.1. Enforcement. Failure of the Covenantor or Owner to comply with this Covenant shall be grounds for the Department to require modification or removal of any improvements constructed or placed upon any portion of the Property in violation of this Covenant. Violation of this covenant, including but not limited to, failure to submit, or the submission of any false statement, record or report to the Department, shall be grounds for the Department to pursue administrative, civil, or criminal actions, as provided by law.

## ARTICLE VI VARIANCE, TERMINATION, AND TERM

6.1. Variance. Any Owner or, with the Owner's written consent, any Occupant of the Property or any portion thereof, may apply to the Department for a written variance from the provisions of this Covenant. The application shall be made in accordance with Health and Safety Code section 25202.6.

6.2. Termination. Any Owner or, with the Owner's written consent, any Occupant of the Property or any portion thereof, may apply to the Department for a termination of the Restrictions or other terms of this Covenant as they apply to all or any portion of the Property. Such application shall be made in accordance with Health and Safety Code section 25202.6.

6.3. Term. Unless ended in accordance with the Termination paragraph above, by law, or by the Department in the exercise of its discretion, this Covenant shall continue in effect in perpetuity.

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ARTICLE VII  
MISCELLANEOUS

7.1. No Dedication Intended. Nothing set forth in this Covenant shall be construed to be a gift or dedication, or offer of a gift or dedication, of the Property, or any portion thereof to the general public or anyone else for any purpose.

7.2. Department References. All references to the Department include successor agencies/departments or other successor entity.

7.3. Recordation. The Covenantor shall record this Covenant, with all referenced Exhibits, in the County of Los Angeles within ten (10) days of the Covenantor's receipt of a fully executed original.

7.4. Notices. Whenever any person gives or serves any notice ("Notice" as used herein includes any demand or other communication with respect to this Covenant), each such Notice shall be in writing and shall be deemed effective: (a) when delivered, if personally delivered to the person being served or to an officer of a corporate party being served, or (b) three business days after deposit in the mail, if mailed by United States mail, postage paid, certified, return receipt requested:

To Owner:	Lebata Incorporated 134 West Redondo Beach Boulevard Gardena, California 90248 Attention: Mr. Randy P. Caillier
To Department:	Branch Chief Department of Toxic Substances Control Tiered Permitting Corrective Action Branch 5796 Corporate Avenue Cypress, California 90630

Any party may change its address or the individual to whose attention a notice is to be sent by giving written notice in compliance with this paragraph.

7.5. Partial Invalidity. If any portion of the Restrictions or other terms set forth herein is determined by a court of competent jurisdiction to be invalid for any reason, the surviving portions of this Covenant shall remain in full force and effect as if such



portion found invalid had not been included herein.

IN WITNESS WHEREOF, the Parties execute this Covenant.

Covenantor

Date: 2/26/08

By: Original signed  
Randy P. Caillier, Vice President  
Lebata, Incorporated

Date: 3/12/08

By: Original signed  
Stephen W. Lavinger, Chief  
Tiered Permitting and Corrective Action Branch  
Department of Toxic Substances Control

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California

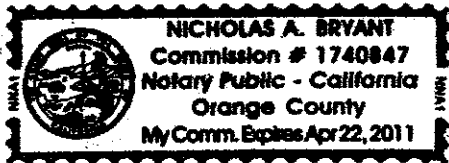
County of Orange

On 2-28-08  
Date

before me, Nicholas A. Bryant - Public Notary  
Here Insert Name and Title of the Officer

personally appeared

Randy P. Caillier  
Name(s) of Signer(s)



who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_

Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

- ☐ Individual
- ☐ Corporate Officer — Title(s): \_\_\_\_\_
- ☐ Partner — ☐ Limited ☐ General
- ☐ Attorney in Fact
- ☐ Trustee
- ☐ Guardian or Conservator
- ☐ Other: \_\_\_\_\_

**RIGHT THUMBPRINT OF SIGNER**  
Top of thumb here

Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

- ☐ Individual
- ☐ Corporate Officer — Title(s): \_\_\_\_\_
- ☐ Partner — ☐ Limited ☐ General
- ☐ Attorney in Fact
- ☐ Trustee
- ☐ Guardian or Conservator
- ☐ Other: \_\_\_\_\_

**RIGHT THUMBPRINT OF SIGNER**  
Top of thumb here

Signer Is Representing: \_\_\_\_\_

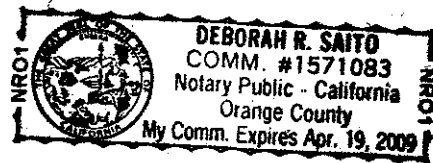
State of California )

County of Orange )

On March 12, 2008 before me, Deborah R. Saito Notary Public, personally appeared Stephen W. Lavinger, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument. I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Deborah R. Saito (Seal)  
Signature of Notary Public



RECORDING REQUESTED BY:  
STEWART TITLE OF CALIFORNIA, INC.

WHEN RECORDED MAIL TO:

Lebata, Inc  
4621 Teller Ave #130  
Newport Beach, CA 92660

ORDER NO. 21-100017  
ESCROW NO. 00365037

Exhibit A

00-1791616

SPACE ABOVE THIS LINE FOR RECORDER'S USE

## GRANT DEED

The undersigned grantor(s) declare(s):  
Documentary transfer tax is \$ 286.00

APN: 6129-7-22&23

(~~XX~~) computed on full value of property conveyed, or  
( ) computed on full value less value of liens and encumbrances remaining at time of sale.  
(~~XX~~) Unincorporated area: ( ) City of \_\_\_\_\_, and

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,  
James G. Lee Record Processing, A California Corporation and  
James G. Lee, a widower who aquired title as a married man

a corporation organized under the laws of the state of California hereby GRANTS to  
LEBATA, INC., A California Corporation

the following described real property in the unincorporated area  
County of Los Angeles, State of CA

LOTS 19 AND 20 OF TRACT NO. 10108 IN THE COUNTY OF LOS ANGELES,  
STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 160, PAGE 10  
OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

DATE: Sept 19, 2000  
August 23, 2000  
STATE OF CALIFORNIA Morgan

COUNTY OF Morgan } ss.

On 9-19-2000, before me Rebecca V. Bullard

personally appeared James G. Lee

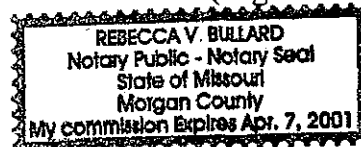
personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s), whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Rebecca V. Bullard

SEE SIGNATURE PAGE ATTACHED  
HERETO AS EXHIBIT "A"

LUC Exhibit A (Page 2 of 4)



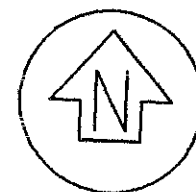
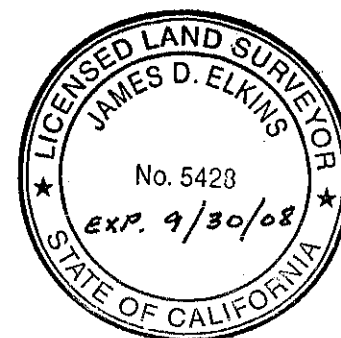
(This area for official notarial seal)

MAIL TAX STATEMENTS AS DIRECTED ABOVE



LOTS 19 AND 20 OF TRACT  
NO. 10408 PER MB 160-10.

LUC Exhibit B (Page 1 of 1)



*James C. Elkins*  
JAMES ELKINS, LS 5428

AJH 12    1 inch : 60 feet    4860.000 N    1000.000 E    1 ~30'  
 ELKINS SURVEYING - 16381 VALLE VISTA WAY - RIVERSIDE, CA. 92506 - 951 789 4952 - 19 DEC 2007